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Title: A RESOLUTION establishing the shared City and community goals and strategies of the Future of the Seattle Economy investment agenda as City policy and a critical foundation for economic development work in Seattle.

Sponsors: Sara Nelson

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Presentation, 3. Proposed Amendment A, 4. Signed Resolution 32099, 5. Affidavit of Publication

| Date | Ver. | Action By | Action | Result |
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| 8/3/2023 | 3 | City Clerk | sent for review | |
| 8/1/2023 | 2 | City Council | adopted as amended | Pass |
| 7/26/2023 | 1 | Economic Development, Technology, and City Light Committee | adopt as amended | Pass |
| 7/25/2023 | 1 | City Council | referred | |
| 7/20/2023 | 1 | Council President's Office | sent for review | |
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CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION establishing the shared City and community goals and strategies of the Future of the Seattle Economy investment agenda as City policy and a critical foundation for economic development work in Seattle.

WHEREAS, an inclusive economy is a prosperous economy, and history has shown that equity and inclusion bring economic benefits; and

WHEREAS, Seattle’s ability to chart a trajectory of long-term vibrancy will depend on its ability to foster the full potential of all of its residents, workers, businesses, and neighborhoods; and

WHEREAS, providing financial and technical assistance to Black, Indigenous, and other people of color-owned small businesses, and businesses disproportionately impacted by the COVID pandemic, contributes to an equitable economic recovery, promotes public welfare, and provides the means to build generational wealth; and

WHEREAS, two of the major drivers of wealth creation are earning an income that outpaces inflation and the cost of living, and ownership of assets that accumulate in value, including businesses and real estate;

WHEREAS, entrepreneurs of color, women, and immigrants have not had equitable access to capital due to systemic and racial barriers, including historic discrimination in housing and lending, as well as ongoing drivers of the racial wealth gap, such as the devaluation of property in Black neighborhoods, and

WHEREAS, businesses owned by people of color were disproportionately impacted by the pandemic, with the Small Business Administration's Office of Advocacy reporting overall earnings between 2019 and 2020 dropping disproportionately for Black, Latino, and Asian business owners compared to their white counterparts; and

WHEREAS, in Seattle, about 33 percent of the workforce of the Seattle metropolitan area are Black, Indigenous, and other people of color, but these populations make up 43 percent of the out of work population and 42 percent of low wage workers, despite similar education attainment; and

WHEREAS, in 2020, Council passed the JumpStart payroll expense tax, and a spending plan dedicating 15 percent of revenues to economic recovery and resilience; and

WHEREAS, the Seattle Office of Economic Development (OED) has facilitated a robust stakeholder engagement process on behalf of the Council and Mayor to develop a community-informed investment agenda to guide the allocation of these funds, called the Future of the Seattle Economy (FSE) investment agenda; and

WHEREAS, OED worked with stakeholder partners from over 80 organizations and government offices and community leaders from a range of racial, ethnic and immigrant identities, neighborhoods, and sectors

to create the FSE investment agenda comprised of immediate investment recommendations and longer-term “big bets”; and

WHEREAS, this community-informed investment agenda is intended to promote inclusive economic growth, especially for communities that have systemically been excluded from such opportunities; and

WHEREAS, in 2022, Council directed the Department of Neighborhoods to create the Generational Wealth Initiative (GWI), to conduct research and recommend strategies aimed at closing Seattle’s racial wealth gap and addressing systemic barriers to wealth creation for Black, Indigenous, and other people of color communities; and equitable economic development and community wealth building are key components to close the racial wealth gap; and

WHEREAS, in 2022 Council directed the Office of Economic Development to lead the development of a Workforce Development Strategic Plan to develop a comprehensive approach to workforce development and align the City’s workforce development strategies to other regional plans; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

Section 1. The City of Seattle recognizes the benefits that a strong and inclusive local economy confers upon Seattle residents and businesses alike and that the prosperity generated by local business activity is necessary to the functioning of local government, including over 50 percent of General Fund revenue.

Section 2. The City of Seattle endorses the adoption of five strategic pillars as a foundation for economic development investments in Seattle, all with an emphasis on closing Seattle’s racial wealth gap: 1) Investing in Talent and Building our Workforce; 2) Supporting Small Business and Women and Minority Owned Business Enterprises; 3) Generating Wealth in Communities of Color; 4) Investing in Neighborhood Business Districts; and 5) Growing Businesses and Key Industries.

Section 3. The City shall prioritize and continue investing the 15 percent of JumpStart Payroll expense

tax revenues dedicated to economic recovery and resilience for each of these strategic pillars recommended in the Future of the Seattle Economy investment agenda. These revenues are intended to assess, stabilize, and grow the following investments.

A. Investing in Talent and Building our Workforce

1. Collaborate with sector-specific coalitions of employers to scale up paid work-based learning opportunities, including apprenticeship, paid internships, incumbent worker training, and co-op model training. These opportunities will allow more Seattle workers to earn an income while learning or upgrading their skills to access good quality jobs in high-demand occupations.

2. Support and invest in the Seattle-King County Workforce Development Council to develop it into the “regional backbone” for the workforce development system, including leveraging federal workforce funds, leading data and research projects, and serving as the regional convener for workforce systems issues.

3. Scale up wraparound support services provided by community-based organizations to participants in city-supported workforce development programs.

B. Supporting Small Business and Women and Minority Owned Business Enterprises (SBE and WMBE)

1. Create a one-stop shop for businesses to access city resources and support.

2. Build more robust, real-time, and proactive City navigation support for WMBEs and SBEs that is both linguistically and culturally accessible.

3. Connect WMBEs and SBEs to technical assistance and consultants for core business needs.

C. Generating Wealth in Communities of Color

1. Increase access to affordable capital with an emphasis on businesses that have not had equitable access due to systemic and racial barriers, through the Capital Access Program and expanded loan readiness support.

2. Scale up commercial affordability programs that include technical assistance, such as the

Tenant Improvement Fund and Seattle Restored, providing a range of support and opportunity for businesses to grow in Seattle and activate storefronts.

3. Support commercial real estate ownership and pilot new models for shared ownership such as the Business Community Ownership Fund for long-term affordability and control, so businesses can stay rooted in neighborhoods and/or return to neighborhoods.

D. Investing in Neighborhood Business Districts

1. Increase capacity-building for neighborhood business districts, through programs such as Only in Seattle and the Neighborhood Economic Recovery Fund, supporting community-based organizations to envision, advocate for, and lead changes in their business districts.

2. Expand and strengthen existing Business Improvement Areas (BIAs) and create new BIAs, with an emphasis in underserved communities.

E. Growing Businesses and Key Industries

1. Add staff capacity to build relationships with key industry leaders and groups to help them navigate the City's regulatory environment and identify opportunities for public-private partnerships.

2. Revive small grant opportunities and/or service contracts with industry associations, which will serve as a mechanism for private/public partnerships to advance shared priorities, with a focus on racial equity.

Section 4. The City of Seattle endorses the Office of Economic Development's efforts to work with other departments, other jurisdictions, private and philanthropic partners, and community organizations to lay groundwork for systemic "big bets" identified in the Future of Seattle Economy investment agenda to advance the City's key strategic economic development pillars, including the following.

A. Expand childcare capacity, including the number of facilities, especially in or near job centers.

B. Develop new investment models, both public and private, in partnership with community

stakeholders, to provide businesses meaningful access to affordable capital. This may include scaling up mechanisms such as capital subsidy strategies, and/or providing grants through loan forgiveness or repayment support; and providing operational funds for technical assistance related to any mechanisms the City chooses to pursue.

C. Acquire or create a master lease of vacant storefront space for use by microbusinesses owned by people of color that need flexible, low-barrier incubator space; building on the recent success that the City has had with one-time funds.

D. Accelerate midsize business growth by offering specialized technical assistance for growing midsize businesses; with a particular focus on businesses that do not have access to financial support from other places and that are at pivotal inflection points in their growth.

Section 5. The City Council requests that OED continue to work with other departments, including but not limited to the Department of Neighborhoods (DON), the Office of Planning and Community Development (OPCD), the Office of Housing (OH), the office of Arts and Culture (ARTS), and the Office of Sustainability and Environment (OSE), to further develop the community-driven strategies outlined in the Future of Seattle's Economy agenda, such as identifying shared goals, coordinating outreach to key stakeholders, strategically deploying different funding sources, and clarifying roles and responsibilities amongst the departments. Council requests that OED present these shared strategies, and how departments can leverage complimentary strategies, to the Council committee overseeing economic development by March 31, 2024.

Adopted by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its adoption this _____ day of _____, 2023.

President _____ of the City Council

The Mayor concurred the _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Scheereen Dedman, City Clerk

(Seal)

Attachments (if any):